



Tackling Childcare Affordability to Address Latina Wage Disparities

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Systemic bias continues to be a significant factor that adversely affects Latina earnings and worsens economic inequalities for their families despite state equal pay regulations. The lack of affordable childcare services creates a significant obstacle that widens the earnings difference between Latina women and other workers. This, in turn, forces many Latinas to decide between better-paying jobs and caring for their children.

The Latina Wage Gap

A report from the National Women's Law Center found that Latinas who work full-time, year-round receive only 57 cents for every dollar earned by non-Hispanic white male workers. In comparison, white women earn 71 cents, Asian women 83 cents, and Black women 54 cents for every dollar earned by non-Hispanic white male workers. The workforce ratio drops to 52 cents when part-year and seasonal employment is factored into the calculation.

Occupational segregation is one of several social factors that notably contribute to the persistent wage gap, including occupational segregation. Latinas are disproportionately grouped in low-paying jobs and are underrepresented in high-paying fields, comprising about one-third of the service industry, 28% of the agricultural workforce, but only 3% working in high-paying, secure STEM positions and 1% in C-Suite positions.

The Contributing Factor of Childcare Deserts

The main obstacle preventing Latina women from advancing their careers is the unaffordable childcare system, which forces them to decide between professional growth and family responsibilities. Childcare deserts, which are areas where the demand for childcare far exceeds the supply of licensed providers, are a significant contributing factor to the Latina wage gap. Currently, nearly 60% of Hispanic families live in childcare deserts where there are either no childcare centers or so few that upwards of three children compete for every available slot. New York State, for example, has the fifth-highest rate of childcare deserts in the United States, with 64% of residents living in a childcare desert. The direct result of childcare deserts is that many families struggle to access affordable childcare. During the pandemic, the childcare sector laid off or furloughed 373,000 employees, or 36% of its workforce. A staggering 86% of childcare workers leave the industry within a two-year period.

Latinos report being unable to work due to a lack of affordable childcare. Additionally, Latine families face a disproportionate financial burden when it comes to childcare costs. Immigrant Hispanic households spend 29% of their total household income on childcare, while nonimmigrant Hispanic households spend 26%. These figures are significantly higher than the average of 8.9 to 16% spent by all families, underscoring the economic

strain on Hispanic communities.

A significant 91% of Latine parents contract services that prioritize their cultural backgrounds, underscoring the importance of culturally competent care, including in childcare. Additionally, Latine families strongly prefer family-provided childcare also known as family, friend, and neighbor (FFN) care, with 88% relying on relatives. Policymakers should consider the barriers Latinas encounter in accessing employment opportunities by prioritizing the elimination of childcare deserts through targeted facility development of Hispanic childcare deserts, creating workplace innovations for caregiver flexibility, and ensuring responsive care systems for Latine families. The following recommendations can address the sparseness of childcare services and nurture opportunities for Latinas to access high-earning jobs.

Targeted Facility Development in Hispanic Childcare Deserts

Unlocking affordable, quality childcare in childcare deserts allows more Latinas to engage in the labor market and pursue full-time, higher-paying jobs. Access to affordable childcare reduces the financial burden on families, allowing them to invest more in their economic advancement and stability.

Recommendations

- Implement **living wage requirements** for childcare providers in Hispanic childcare deserts. This ensures new and existing centers in underserved areas can attract and retain qualified staff, stabilizing and expanding the supply of high-quality care.
- Launch **public-private** partnerships that prioritize constructing and operating new childcare centers in childcare deserts, leveraging local data to identify the most underserved neighborhoods.
- Develop and fund **fast-track** training and licensing programs for Latinas living in childcare deserts, allowing them to become licensed providers while earning an income.

Workplace Innovations for Caregiver Flexibility

Robust workplace policies around childcare can help reduce the Latina wage gap as they encourage employment and career advancement. When employers provide paid family leave, flexible scheduling, and job security for parents, Latinas are less likely to be forced out of work or to turn down promotions due to caregiving responsibilities. These protections help Latinas find and maintain work in mid-level and higher positions, increasing their wage growth while reducing "gap years" experienced because of wage disparity and stagnant career progression.

Recommendations

- Require employers in childcare deserts to conduct **pay transparency audits**, focusing on wage gaps affecting Latinas. This ensures that women most likely impacted by limited childcare access are not further disadvantaged by pay discrimination.
- **Expand Earned Income Tax Credit** and Child Tax Credit benefits for families and care workers in childcare deserts. These credits can offset the high costs and limited care availability, making it more feasible for Latinas to participate in the workforce even when formal childcare is inaccessible.
- Mandate that employers operating in or near childcare deserts provide **flexible and predictable scheduling** for parents. These policies address the scarcity of care by allowing parents to align work

hours with available family or informal care, reducing the need to leave the workforce or turn down promotions.

Responsive Care Systems for Latino Families

Latine families require more than just increased childcare services; they need culturally tailored childcare adjustments. Latina wage gap issues may be addressed through culturally competent childcare services provided with the culturally aligned values and language needs of Latine families. Childcare centers that embrace inclusivity lower usage barriers for Latina mothers seeking employment, increase hours, and allow movement to better-paying jobs. When bilingual programs and providers steeped in the culture of the community exist, obstacles to childcare are removed. This will, in turn, empower Latinas to earn more and narrow the wage gap.

Recommendations

- Prioritize funding for **bilingual childcare** programs in neighborhoods officially designated as childcare deserts, ensuring that new and existing providers are equipped to serve the linguistic and cultural needs of Latine families.
- Develop fast-track **certification pathways** and financial support programs for family, friends, and neighbor (FFN) caregivers in childcare deserts, enabling trusted community members to become licensed providers without sacrificing cultural practices or language use.
- Implement **culturally responsive** quality standards and technical assistance for all new and existing childcare providers operating in childcare deserts, supporting dual-language learning, and building trust with Latine families.

Policymakers should address the Hispanic childcare deserts through targeted facility development and workplace flexibility for caregivers and responsive care system investments to eliminate the work-family choice barrier for Latinas. The integrated solutions help to eliminate the wage gap and enable Latinas to reach their **economic potential**.